



THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division

IN THE MATTER OF THE SEIZURE OF ALL
FUNDS CONTAINED IN:

PayPal Account
(GAVINPAINTER@ICLOUD.COM) in the name
of Gavin Painter, up to \$8,388

Case No. 3:20SW373

AFFIDAVIT IN SUPPORT OF APPLICATION FOR A SEIZURE WARRANT

I, Israel Bryant, being first duly sworn, hereby depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I have been a Special Agent with the United States Secret Service ("USSS") since 2018. Since 2019, I have been assigned to the United States Secret Service Cyber Fraud Task Force. I was a certified peace officer in Georgia for eight years; as a State Officer at the Georgia Department of Public Safety assigned to the Explosives Detection Canine Unit and Motor Carrier Compliance Division; and a Field Training Officer/Hit and Run Investigator at the Brookhaven Police Department, respectively. I have received training in various aspects of federal law enforcement, including the investigation of identity theft, bank fraud, wire fraud, access device fraud, and money laundering. I have participated in multiple investigations, seizures, and search warrants that have resulted in criminal arrests, seizures, and prosecutions. I have also been the affiant on search, arrest, and seizure warrants that have resulted in successful arrests, seizures, and prosecutions.

2. The information contained in this Affidavit is based on my personal knowledge, the review of documents, and observations made by me during the course of this investigation, as well as, information conveyed to me by other individuals, including information obtained from

other law enforcement agencies.

3. Because this Affidavit is submitted for the limited purpose of establishing probable cause in support of the application for a seizure warrant, this Affidavit does not set forth each and every fact learned by me or observed by me during the course of this investigation.

4. This Affidavit is submitted pursuant to 18 U.S.C. § 981(b)(3) and 21 U.S.C. § 853(f) in support of an application for seizure warrants for the following:

- a. PayPal Account (GAVINPAINTER@ICLOUD.COM) in the name of Gavin Painter.

5. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe the funds are fraud proceeds from government funded programs in violation of federal statutes that provide forfeiture authority through 18 U.S.C. § 981(a)(1)(C), including 18 U.S.C. § 1343 (Wire Fraud).

RELEVANT STATUTORY PROVISIONS

6. Wire Fraud- Title 18, United States Code Section 1343 prohibits “any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire . . . in interstate or foreign commerce.”

7. Under 18 U.S.C. § 981(a)(1)(D), property forfeitable to the United States includes “[a]ny property, real or personal, which constitutes or is derived from proceeds traceable to the gross receipts obtained, directly or indirectly, from a violation of” 18 U.S.C. § 1343.

8. Pursuant to 18 U.S.C. § 981(b)(1), “any property subject to forfeiture to the United States under subsection (a) may be seized by the Attorney General” In addition, “a seizure warrant may be issued . . . by a judicial officer in any district in which a forfeiture

action against the property may be filed under section 1355(b) of title 28, and may be executed in any district in which the property is found.” 18 U.S.C. § 981(b)(3). Pursuant to 28 U.S.C. § 1355(b), as relevant here, “[a] forfeiture action or proceeding may be brought in . . . the district court for the district in which any of the acts or omissions giving rise to the forfeiture occurred,” 28 U.S.C. § 1355(b)(1)(A), or where property subject to civil forfeiture is found or brought. *Id.* § 1355(b)(1)(B), 28 U.S.C. § 1395(b)-(c).

DESCRIPTION OF PROPERTY TO BE SEIZED

9. The funds to be seized are presently maintained in PayPal account (GAVINPAINTER@ICLOUD.COM) in the name of Gavin Painter. SUBJECT ACCOUNT 1 has a mailing address of 10235 Glendye Rd, Richmond, VA 23235, which is the residence of Gavin Painter and the account is solely owned by Painter.

PROBABLE CAUSE

Case Background

10. There is probable cause to believe that from in or about June 2020 to in or about September 2020, Gavin Painter committed wire fraud and major fraud in violation of 18 U.S.C. § 1343, to defraud a victim state and the federal government out of at least \$84,458 in funds related to unemployment insurance and small business assistance related to the Cares Act.

11. The coronavirus, also called COVID-19, was named as a national pandemic in March 2020, and as a result, in the United States, citizens have suffered from health- and economic-related issues and high unemployment rates. The record-setting unemployment caused individual states to supplement their residents’ income by depositing funds in their bank accounts through Automated Clearing House (“ACH”) bank deposits. The amount of financial assistance depended upon the person’s federal and state income tax filings. Persons were also able to file

for unemployment benefits via the internet by providing their biographical data, banking information, and information relating to their pre-pandemic employment.

12. Specifically, at present, the United States Secret Service is working with other members of federal law enforcement investigating numerous schemes throughout the country whereby criminal groups apply online, using personally identifiable information, for unemployment benefits for which members of the criminal groups are not entitled. Then, the criminal groups route payments for said benefits, not directly to the named beneficiaries or even directly to the criminal who submitted the unemployment insurance applications, but to accounts in the names of individuals and entities who the criminal groups recruited to receive and disburse crime proceeds.

State of Arizona

13. The State of Arizona provides persons with unemployment benefits. After the unemployment benefit claim is filed online using personally identifiable information, the State of Arizona remits an ACH deposit into the bank account the applicant designated at the time the application was filed or mails a Bank of America debit card to the address designated.

Investigation at Present

14. On or about September 3, 2020, United States Secret Service initiated an investigation after receiving information from Wells Fargo that Gavin Painter received nine ACH deposits from the State of Arizona into three Wells Fargo accounts owned solely by Painter, and two additional deposits from the State of Arizona into a PayPal account owned solely by Painter. Each State of Arizona deposit had a different alias, none of which was Gavin Painter. On about September 12, 2020, SA Israel Bryant and SA Matthew Miranda of the United States Secret

Service interviewed Gavin Painter at 10235 Glendye Rd, Richmond, VA 23235. Painter stated he agreed to receive money from his girlfriend's lawyer and send them to his girlfriend, who he identified as Maria Rossi. Painter stated he has not met Maria Rossi or her lawyer. Agents asked Painter why was he was receiving funds from someone he never met, and he replied, "that's how they do it in Italy, when there is an intent to marry." Painter stated he intended to marry Maria Rossi. Painter stated his girlfriend's mother "was in a bad way" in Australia, and he was helping her out by sending her the money in cryptocurrency. Painter stated he was not "privy" to the information on the deposits; he assumed it was "just something for her."

15. During the interview, Painter stated he had text messages on his phone that showed he was sending the funds to Maria Rossi. Painter allowed SA Bryant to do a brief consensual search of his cell phone for the text messages. Painter was standing beside SA Bryant during the consensual search of his cell phone. During the consensual search of Painter's cell phone, there appeared to be several hundred text messages with a person named "Maria," however, at no time did SA Bryant observe text messages about the funds during the brief consensual search of Painter's cell phone. Painter stated, "we would have to go back months to see the text messages" pertaining to the funds; however, Painter made no effort to show the text messages to which he was referring. SA Bryant observed in the text messages that Painter told "Maria" via text that the United States Secret Service was interviewing him; however, he did not mention anything about the unemployment insurance claims in the text messages read by SA Bryant. Painter believes he is in a relationship with Maria Rossi.

16. On October 10, 2020, Painter was interviewed via phone after Painter sent a text-to-landline message to the United States Secret Service Richmond Field Office phone. The message was undecipherable. SA Bryant made contact with Painter via phone. Painter wanted to

advise that Maria Rossi's "so-called lawyer's" name was Justin Mancini. Painter stated he had received a driver's license and a "law identification" in his email from an email account (justinmanciniofficial@hotmail.com). SA Bryant asked Painter if he still had the emails and replied he "could not keep up with the emails, if there were too many coming through." Painter stated he does not delete his emails. Painter stated he had not received any additional deposits from Maria Rossi's lawyer at the time of the interview.

17. From approximately July 1, 2020 to July 15, 2020, in a Well Fargo account belonging Painter, he wrote checks to himself for approximately \$48,100 for cash. In the memo line of the checks, Painter wrote remodel, kitchen remodel, garage remodel, patio and tub, and deposit to BB&T. Agents asked Painter if it was for the purpose of "covering it up." Painter replied that he told Maria Rossi he would do that "so they wouldn't say anything." Agents asked Painter again if he was writing that to cover up what he was doing and he replied, "so to speak, and well yeah." It appeared to agents Painter was concealing his true intentions, while withdrawing and receiving fraud proceeds; with it being his own idea to write the aforementioned subjects on the memo lines of the checks. Painter also transferred tens of thousands of dollars to Rossi via Bitcoin. Painter made overt actions, participated in, and conspired with "Maria Rossi" in order to commit fraud against the United States.

18. From June 25, 2020 to September 14, 2020, Painter received approximately nine ACH deposits, totaling \$46,143 from the State of Arizona related to unemployment insurance under the names of Todd Hunt, Pamela Ziccardi, and Frank Wyers in his Wells Fargo bank accounts. It is unknown if these names are identities of real people, or false identities created and used on the State of Arizona Unemployment Insurance applications.

SUBJECT ACCOUNT 1

19. Painter admitted to agents that some of the cash received in Wells Fargo account was used to open accounts at BB&T, Bank of America, and PayPal. Painter told agents that all the accounts were closed by the banks. Agents asked Painter why the closing of his bank accounts did not seem suspicious to him. Painter replied that Maria Rossi told him “it is something in the banking.”

20. Painter provided his PayPal account information to agents, which revealed he opened the PayPal account August 15, 2020, using \$150 to open the account. Several thousand dollars in Painter’s Wells Fargo accounts were found to be unemployment insurance funds from the State of Arizona. Based on Painter’s admission during the interview, the \$150 came from his Wells Fargo accounts. Subsequently, he received two separate State of Arizona unemployment insurance deposits for \$4,119 on August 18, 2020 in his PayPal account. Contrary to the Wells Fargo accounts, PayPal has not provided the aliases associated with the Arizona deposits. SUBJECT ACCOUNT 1 was used solely for receiving unemployment insurance. There were no other transactions on this account. It appears PayPal froze and blocked SUBJECT ACCOUNT 1 for “two random deposits” according to information received from PayPal. Painter stated the purpose of opening up the PayPal account was to receive additional funds to send to Maria Rossi. The remaining funds in SUBJECT ACCOUNT 1 are \$8,388, which is entirely fraudulent proceeds illegally received from the State of Arizona.

TABLE 1

Date	Transfer From	Amount	Transaction ID
August 15, 2020	Cash Load	\$150	4GG70987F9655831Y
August 18, 2020	State of Arizona – Benefit Pay	\$4,119	6B4190081G4631901
August 18, 2020	State of Arizona – Benefit Pay	\$4,119	0YM38316JY3876700

21. PayPal is a financial services company that offers online payment systems that supports online money transfers as an electronic alternative to users like Gavin Painter. PayPal will be served via the PayPal Safety Hub – Law Enforcement Tool. PayPal is located at 2211 North First Street, San Jose, CA 95131.

22. In my training and experience, a restraining order would be inadequate to preserve the property for forfeiture for the following reasons:

- a. Banks and financial institutions may not restrain accounts promptly upon service of a restraining order, affording opportunity for the movement of funds prior to the restraint going into place;
- b. Bank and financial institutions do not always institute procedures that ensure that all personnel are aware that funds maintained in an account are subject to restraint, affording opportunity for movement of the funds;
- c. Bank and financial institution personnel can make mistakes in interpreting or implementing restraining orders, affording the opportunity for the movement of funds; and
- d. Bank and financial institutions may exercise their own right of setoff to satisfy an outstanding debt owed to the bank or financial institution by the account holder.

23. Based on information received during the investigation and interview of Painter, probable cause exists to believe Painter knowingly received ACH deposits from the State of Arizona in furtherance of a scheme to purchase cryptocurrency and withdraw the funds in cash. Painter, by his own admission, conspired with others in order to commit fraud against the United States. Painter concealed his true intentions for withdrawing the funds out of his Wells Fargo accounts in order to not raise attention to himself. Although Painter stated he purchased

cryptocurrency with the unemployment insurance funds, it unknown at this time where the funds ended up, although Painter used some for his personal expenses. It does not appear Painter was scammed or was merely being used as a money mule. Painter willingly and knowingly used some of the unemployment insurance funding to open additional bank accounts at different banks in order to receive additional unemployment insurance funds. In those actions, Painter made overt actions to commit fraud against the United States in violation of 18 U.S.C. § 1343.

24. Based on the facts and circumstances set forth above, I submit there is probable cause to believe Painter has been engaged in a scheme to defraud the United States in violation of 18 U.S.C § 1343, and the funds in SUBJECT ACCOUNT 1 (up to \$8,388 based on deposits from the State of Arizona), are funds constituting or derived from proceeds traceable thereto and as such are subject to forfeiture pursuant to 18 U.S.C. §§ 981 (a)(1)(c) and 982 (a)(2) and 28 U.S.C. § 2461(c). To the extent that the funds presently in SUBJECT ACCOUNT 1 are not directly traceable to such violations, they represent identical property found in the same place or account from which the property involved in the offense was removed, within one year, and are therefore subject to forfeiture pursuant to 18 U.S.C. § 984. Accordingly, I request a seizure warrant be issued for the accounts pursuant to 18 U.S.C. §§ 981(b)(3) and 21 U.S.C. § 853(f).

Respectfully submitted,



Israel D. Bryant
Special Agent
United States Secret Service

Subscribed and sworn to before me, this 7 day of December, 2020, at Richmond, Virginia.
Reviewed and Approved by AUSA Shea Gibbons



Elizabeth W. Hanes
United States Magistrate Judge